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FAB METAL MINES LIMITED

Annual Report

FOR THE YEAR ENDED DECEMBER 31, 1967

FAB METAL MINES LIMITED

OFFICERS	FRED A. BOYLEN <i>President</i> G. D. PATTISON <i>Vice-President</i> R. D. BELL <i>Secretary-Treasurer</i> J. P. BRISBOIS <i>Asst. Secretary-Treasurer</i>
DIRECTORS	R. D. BELL Toronto, Ontario FRED A. BOYLEN Toronto, Ontario MRS. D. A. CALDWELL Toronto, Ontario G. D. PATTISON Aurora, Ontario S. A. PERRY Toronto, Ontario
AUDITORS	THORNE, GUNN, HELLIWELL & CHRISTENSON Toronto, Ontario
TRANSFER AGENT AND REGISTRAR	CANADA PERMANENT TRUST COMPANY Toronto, Ontario
HEAD OFFICE	SUITE 509, 25 ADELAIDE STREET WEST . . . Toronto, Ontario

FAB METAL MINES LIMITED

Suite 509, 25 Adelaide Street West

Toronto 1, Ontario

Directors' Report

TO THE SHAREHOLDERS,
FAB METAL MINES LIMITED.

Presented herewith are the financial statements of your Company for the year ended December 31, 1967, with Auditors' Report thereon dated March 21, 1968.

Only limited exploration work was undertaken by your Company during the past year but it has maintained in good standing its mining properties as indicated in Note 1 to the accompanying financial statements.

Your Directors are endeavouring to arrange for further exploration on the Company's properties and also for further finances.

On behalf of the Board,

FRED A. BOYLEN,

President.

Toronto, Ontario,

June 11, 1968.

FAB METAL MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

Balance Sheet -

(with comparative figures for 1966)

Assets

	<u>1967</u>	<u>1966</u>
Current assets		
Cash	\$ 785	\$ 160
Marketable securities, at cost (quoted market value 1966, \$4,910)		4,525
Accountable exploration advance		695
Deposit and prepaid expense	1,000	1,171
	<u>1,785</u>	<u>6,551</u>
Investments		
In shares of associated company, at cost (quoted market value 1967, \$2,500; 1966, \$6,400)	5,786	11,573
In a mining company, at nominal value (no quoted value)	1	1
	<u>5,787</u>	<u>11,574</u>
Camp equipment, at cost	2,193	2,193
Mining properties and claims, at cost in cash (note 1)	26,050	26,050
Deferred exploration and development expenditures	370,894	369,993
	<u>\$ 406,709</u>	<u>\$ 416,361</u>

Audited

To the Shareholders of
FAB METAL MINES LIMITED

We have examined the balance sheet of Fab Metal Mines Limited as at March 21, 1968, and the exploration and development expenditures, deficit, administrative expenses and income statement for the year ended March 21, 1968. Our examination included a general review of the accounting principles and procedures and the evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the results of its operations and the source and application of its funds for the year ended March 21, 1968, in accordance with the accounting principles applied on a basis consistent with that of the Province of Ontario.

Toronto, Canada
March 21, 1968

MINES LIMITED

(Incorporated under the laws of Ontario)

December 31, 1967

(at December 31, 1966)

Liabilities

	<u>1967</u>	<u>1966</u>
Current liabilities		
Accounts payable and accrued liabilities	\$ 5,134	\$ 1,361
Due to director	945	
Demand loan payable to director (secured by investments in shares of associated company)	2,000	
	<u>8,079</u>	<u>1,361</u>

Shareholders' Equity

Capital stock

Authorized — 5,500,000 shares of \$1 par value each

Issued — 4,300,000 shares

Less discount thereon

	4,300,000	4,300,000
	3,438,746	3,438,746
	<u>861,254</u>	<u>861,254</u>
Deficit	463,985	447,615
Contributed surplus	1,361	1,361
	<u>462,624</u>	<u>446,254</u>
	<u>398,630</u>	<u>415,000</u>
	<u>\$ 406,709</u>	<u>\$ 416,361</u>

Approved on behalf of the Board

"FRED A. BOYLEN" (Director)

"R. D. BELL" (Director)

Report

limited as at December 31, 1967 and the statements of deferred
nses and source and application of funds for the year then ended.
dures and such tests of accounting records and other supporting

financial position of the company as at December 31, 1967 and the
for the year then ended, in accordance with generally accepted
preceding year.

THORNE, GUNN, HELLIWELL & CHRISTENSON,
Chartered Accountants.

FAB METAL MINES LIMITED

STATEMENT OF DEFERRED EXPLORATION AND DEVELOPMENT EXPENDITURES

YEAR ENDED DECEMBER 31, 1967

(with comparative figures at December 31, 1966)

	1967	1966
Assays	\$ 116	\$ 1,170
Consultant's fees		3,748
Diamond drilling		14,415
Engineering		315
Equipment rentals		208
Government fees and taxes	1,202	1,377
Line cutting, survey and trenching	950	22,774
Supplies	32	790
Transportation and field expenses	93	3,698
Wages		397
General expenses	8	535
	<u>2,401</u>	<u>49,427</u>
Less sale of equipment previously expensed	1,500	
	<u>901</u>	<u>49,427</u>
Expenditures (net) for the year	369,993	320,566
Balance deferred at beginning of year		
	<u>\$ 370,894</u>	<u>\$ 369,993</u>

SUMMARY

	Balance at beginning of year	Expenditures during year	Balance at end of year
Location of mining claims			
Cardiff Township, Ontario	\$ 6,828	\$ 56	\$ 6,884
Gloucester County, New Brunswick	319,411	(280)	319,131
Urban Township, Quebec	43,754	1,125	44,879
	<u>\$ 369,993</u>	<u>\$ 901</u>	<u>\$ 370,894</u>

STATEMENT OF DEFICIT

YEAR ENDED DECEMBER 31, 1967

(with comparative figures for 1966)

	1967	1966
Deficit at beginning of year	\$ 447,615	\$ 427,471
Add		
Administrative expenses for the year	13,991	14,729
Advances to a mining company written off		500
Cost of mining claims abandoned		4,915
Loss on sale of shares in other companies (net)	2,379	
	<u>16,370</u>	<u>20,144</u>
Deficit at end of year	<u>\$ 463,985</u>	<u>\$ 447,615</u>

FAB METAL MINES LIMITED

STATEMENT OF ADMINISTRATIVE EXPENSES

YEAR ENDED DECEMBER 31, 1967

(with comparative figures for 1966)

	1967	1966
Annual report and shareholders' information	\$ 678	\$ 1,410
Audit fees	850	750
Directors' fees	800	750
Government fees and taxes	220	250
Legal fees and expenses	1,189	1,801
Listing fees	100	100
Management salary	5,000	5,000
Office rent	630	630
Postage, telephone and telegraph	65	771
Secretarial and accounting services	3,634	3,548
Transfer agent's fees and expenses	666	609
Travel		46
General expense	159	207
	<u>13,991</u>	<u>15,872</u>
Deduct		
Dividends received		475
Interest earned		668
		<u>1,143</u>
Administrative expenses for the year transferred to deficit	<u><u>\$ 13,991</u></u>	<u><u>\$ 14,729</u></u>

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

YEAR ENDED DECEMBER 31, 1967

(with comparative figures for 1966)

	1967	1966
Source of funds		
Proceeds from sale of investments	\$ 2,623	
Profit on sale of marketable securities	785	
	<u>3,408</u>	
Application of funds		
Administrative expenses	13,991	\$ 14,729
Exploration and development expenditures (net)	901	49,427
Transfer of investment from current assets		11,573
Advance to mining company written off		500
	<u>14,892</u>	<u>76,229</u>
Decrease in working capital	11,484	76,229
Working capital at beginning of year	5,190	81,419
Working capital (deficiency) at end of year	<u><u>\$ (6,294)</u></u>	<u><u>\$ 5,190</u></u>

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1967

1. Mining Properties and Claims

8 Patented claims and 50 acres of land in fee simple in Cardiff Township, Ontario	\$ 7,550
86 Claims in the Parish of Bathurst, Gloucester County, New Brunswick	17,300
8 Claims in Urban Township, Quebec	1,200
	<u>\$ 26,050</u>

2. Other Statutory Information

Direct remuneration of directors and senior officers (as defined by The Corporations Act) was \$5,800 in 1967.

